

DIRECTIVE 97-3

June 17, 1997

RESPONSIBILITIES OF THE COUNTY ASSESSOR AND THE PROPERTY TAX DIVISION IN THE DEVELOPMENT OF THE REAL PROPERTY SALES FILE FOR ASSESSMENT YEAR 1998

Purpose. This directive is to advise the county assessor and the Property Tax Division of their responsibilities in the development of the sales file for assessment year 1998. This Directive shall be followed by all county assessors and the Property Tax Division.

Procedure and Implementation. Section 77-1327, R.R.S. 1996, states in subsection (1) that "[i]t is the intent of the Legislature that accurate and comprehensive information be made accessible to the taxpayer in order to ensure the quality and uniformity of assessment practices on both intercounty and intracounty valuations." Subsection (3) specifically allows the Property Tax Administrator to "require assessors and other local officers to report to him or her data on taxable valuations and other features of the property tax for such periods and in such form and content as the Property Tax Administrator shall require."

The sales file maintained by the Property Tax Division is used for several purposes to determine the level of value and quality of assessment of real property in the state of Nebraska. It is used by the county assessors in developing assessment strategies, the Property Tax Administrator in providing statistical and narrative reports to the Tax Equalization and Review Commission, by the Tax Equalization and Review Commission in the statewide equalization process, and by the Property Tax Administrator in determining adjusted valuation for certification to the Nebraska Department of Education. In order for the file to be developed in a timely manner so that it is useful to all taxing officials, strict adherence to the requirements of this directive are mandated.

SCHEDULE FOR INFORMATION

On or before July 1, 1997, the Property Tax Division shall complete the data entry of all Transfer Statements, Forms 521 and Forms 521MH, received from the county assessor and filed prior to June 1, 1997 by the register of deeds. The entry shall include only those transfers with an amount stated for Documentary Stamp Tax and/or consideration.

On or before July 15, 1997, the county assessor shall mail or deliver to the Property Tax Division all supplemental information for all Forms 521 and Forms 521MH with an amount stated for Documentary Stamp Tax and/or consideration filed in the county for the following dates:

- 1) For transfers involving real property classed as residential real property, filed on July 1, 1995, through May 31, 1997; and
- 2) For transfers involving real property classed as commercial, industrial or agricultural filed July 1, 1994, through May 31, 1997.

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On or before August 1, 1997, the Property Tax Division shall complete the data entry of all information received from the county for the above-stated transfers of real property.

On or before August 15, 1997, the county assessor shall mail or deliver to the Property Tax Division all supplemental information for all Forms 521 and 521MH with an amount stated for Documentary Stamp Tax and/or consideration to the Property Tax Division, filed in the county from June 1, 1997, through June 30, 1997.

On or before August 20, 1997, the Property Tax Division shall complete the data entry of all information received from the county for the above-stated transfers of real property.

On or before August 25, 1997, the Property Tax Division shall mail to each county assessor a copy of the total sales roster. The county assessor shall review the total sales roster for any and all corrections to be made to all transfers contained on the roster.

On or before September 24, 1997, the county assessor shall mail to the Property Tax Division all corrections to the total roster. For this purpose, the corrections shall be made on the total sales roster which shall be returned to the Property Tax Division.

On or before October 15, 1997, the Property Tax Division shall complete the data entry of all corrections made by the county assessor to the total sales roster.

On or before October 20, 1997, the Property Tax Division shall mail to each county assessor a copy of the corrected total sales roster. The county assessor shall retain this roster for their information and use throughout the 1998 assessment process. For this purpose use shall include, but not be limited to, reporting to the Property Tax Division any additional corrections.

On or before December 1, 1997, the county assessor shall report any additional corrections to the total sales roster on a Sales File Corrections Form to be supplied by the Property Tax Division.

On or before December 15, 1997, the Property Tax Division shall complete all sales verification for all sales in the total sales file for real property classed as commercial, industrial and agricultural real property.

On or before December 19, 1997, the Property Tax Division shall mail to each county assessor a qualified sales roster and a non-qualified sales roster. The county assessor shall review these rosters for the purpose of filing protests to the adjustments, qualification, or non-qualification of any sale in the sales file. The protest shall be made on the Sales File Protest Form supplied by the Property Tax Division.

On or before January 9, 1998, the county assessor may file a protest of the adjustment, qualification, or non-qualification for any sale in the sales file. The protest should be filed with the Field Liaison and directed to the Property Tax Administrator.

On or before January 23, 1998, the Property Tax Administrator shall notify the county of the determination made on any protest of the adjustment, qualification, or non-qualification of any sales in the sales file. The county may appeal the determination of the Property Tax Administrator to the Tax Equalization and Review Commission in the manner prescribed by the Commission.

On or before January 26, 1998, the Property Tax Division shall provide to the Tax Equalization and Review Commission Statistical Reports for each county for the following classes of real property:

For residential real property, sales occurring July 1, 1995, through June 30, 1997, for the qualified sales as well as other statistical studies.

For commercial, industrial, or agricultural real property, sales occurring July 1, 1994 through June 30, 1997, for the qualified sales as well as other statistical studies.

On or before March 6, 1998, the county assessor shall determine the assessed value of all real property in the county for tax purposes for 1998.

On or before March 6, 1998, the Property Tax Division shall mail to each county assessor a listing of all sales in the total sales file. This listing shall be used by the county assessor to report the 1998 assessed valuation of each item of real property in the total sales file. The listing shall be considered a part of the 1998 County Abstract of Assessment of Real Property.

On or before March 20, 1998, the county assessor shall prepare and mail to the Property Tax Division the 1998 Abstract of Assessment of Real Property.

On or before April 5, 1998, the Property Tax Administrator shall prepare narrative and statistical reports and an opinion of the level of value and quality of assessment in each county and deliver said information to the Tax Equalization and Review Commission.

TERMS DEFINED

Total sales roster shall mean a roster of sales which contains all transfers of real property with an amount stated for Documentary Stamp Tax and/or consideration within the date parameters established for each property classification.

Qualified sales roster shall mean a roster of sales which contains sales indicated as usable by the Property Tax Division, or if not verified by the Division, indicated as usable by the county assessor.

Non-qualified sales roster shall mean a roster which contains all sales from the total sales roster not included in the qualified sales roster.

Verification of a sale shall mean a review of stated selling price and a determination as to the normalcy of the stated selling price so as to exclude influences not in the typical market of the indicated property classes. Research and verification shall also include update of property classification to appropriately represent the highest and best use of the property.

DEVIATION FROM DIRECTIVE

A county assessor may request a deviation from the requirements of this directive. The request for deviation must be in writing to the Property Tax Administrator. The request shall state the reasons for the deviation. If the deviation involves a request to submit the information in a format not specified in the directive, the county assessor shall state the manner in which he or she plans to supply the required information. If the deviation involves a request to delay submission of information beyond the date required, the county assessor shall state the date that the information will be received. The request for deviation shall be mailed to the Property Tax Administrator within thirty days of receipt of this directive, or thirty days prior to the date from which the county assessor is requesting deviation. The Property Tax Administrator shall grant or deny the request for deviation in writing within fifteen days of receipt of the request stating the reasons for her action.

The county assessor may also request additional rosters throughout the course of the assessment process. A request for an additional roster must be made to the Field Liaison assigned to the county or the Field Liaison Manager of the Property Tax Division. The county assessor shall state the reasons for requesting a supplemental roster. After processing the request from the county assessor, the Field Liaison or Field Liaison Manager shall report the request and purpose to the Property Tax Administrator.

ENFORCEMENT OF THE DIRECTIVE

Pursuant to section 77-378, R.R.S. 1996, corrective action may be taken by the Property Tax Division if any county official violates any directive of the Department of Revenue. The Property Tax Division is a division of the Department of Revenue and, as such, shall enforce this directive pursuant to section 77-378, R.R.S. 1996. This section allows the county the opportunity to correct any violation within fourteen days of notice by the Division that a violation has occurred, and specifies certain procedures which shall be followed to enforce implementation of the directive.

APPROVED:



Catherine D. Lang-Morrissey
Property Tax Administrator
June 17, 1997